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November 2, 2012

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, SC 29210

RE: Application Regarding the Acquisition of Progress Energy, Incorporated by Duke Energy Corporation and Merger of Progress Energy Carolinas, Incorporated and Duke Energy Carolinas, LLC, **Docket No. 2011-158-E**

Dear Mrs. Boyd:

In Order No. 2012-517 Approving Joint Dispatch Agreement ("JDA"), the Public Service Commission of South Carolina ("Commission") conditioned its approval of the JDA on, among other things, the commitment of Duke Energy Carolinas, LLC ("DEC") and Progress Energy Carolinas, Inc. ("PEC") to file with the Commission all reports that the North Carolina Utilities Commission required DEC and PEC to file in Order Approving Merger Subject to Regulatory Conditions and Code of Conduct, issued June 29, 2012, in Docket Nos. E-2, Sub 998 and E-7, Sub 986. (Order Approving JDA at 43.)

Pursuant to regulatory conditions 3.11(a) and (b), on a quarterly basis, DEC and PEC must file (a) a list of all active dockets at the Federal Energy Regulatory Commission ("FERC") in which DEC, PEC, Duke Energy Corporation ("Duke Energy"), Duke Energy Business Services, LLC ("DEBS"), or Progress Energy Service Company, LLC ("PESC") is a party with new information in each quarterly filing tracked; and (b) a list of the periodic reports filed by DEC, PEC, Duke Energy, DEBS, or PESC with the FERC.

Attachment A to this letter lists all active FERC dockets as of September 30, 2012, to which DEC, PEC, Duke Energy, and DEBS is a party. Attachment B to this letter lists the periodic reports filed by DEC, PEC, Duke Energy, and DEBS with FERC during the third quarter of 2012. The dockets and reports can be accessed from the FERC eLibrary system at <http://elibrary.ferc.gov>.

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Chief Clerk/Administrator  
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Please feel free to contact me should there be any questions or issues.

Sincerely,



Timika Shafeek-Horton  
Deputy General Counsel

TSH:dhs

Attachments

cc: Shannon Bowyer Hudson, ORS  
Courtney Edwards, ORS  
John Flitter, ORS

# Attachment A

## Open FERC Dockets – Third Quarter 2012

Docket No(s).	Affiliate with Party Status (Duke Energy, DEC, DEBS)	Description of Proceeding	Quarter Reported Pursuant to Reg. Condition 3.11
EC11-60	Duke Energy, Progress Energy, DEC, DEBS, PEC and PESC	Application of Duke Energy, Progress Energy, and their public utility subsidiaries for disposition of facilities under section 203 of the Federal Power Act: FMPA, New Bern/Rocky Mount and Orangeburg requested rehearing on 7/9/12; Duke Energy and Progress Energy filed a Notice of Consummation of Merger on 7/11/12; and FERC order granted the requests for rehearing for further consideration on 8/8/12.	Q3 2012
ER12-1342	Duke Energy, DEC, DEBS	Power sales agreements related to revised mitigation filing in Docket No. EC11-60: DEC filed a compliance filing on 7/2/12; Orangeburg requested rehearing on 7/9/12; and FERC order granted the requests for rehearing for further consideration on 8/8/12.	Q3 2012
ER12-1338, ER12-1347, ER12-3306	DEC, PEC	Joint Dispatch Agreement (JDA) between DEC and PEC and PEC Certificate of Concurrence with JDA: Orangeburg requested rehearing on 7/9/12; DEC / PEC filed compliance filings on 7/11/12; and FERC order granted the requests for rehearing for further consideration on 8/8/12.	Q3 2012
ER12-1343, ER12-1345, ER12-1346, ER11-3307	DEC, PEC	Joint Open Access Transmission Tariff (OATT) and PEC Certificate of Concurrence with Joint OATT: Orangeburg requested rehearing on 7/9/12; DEC / PEC filed compliance filings on 7/11/12; FMPA intervened on 8/1/12; FERC order granted the request for rehearing for further consideration on 8/8/12.	Q3 2012
ER12-1339	PEC	Master Power Purchase Agreement with EDF Trading, LLC, Rate Schedule No. 192, related to revised market mitigation filing in Docket No. EC11-60: PEC filed compliance filing on 7/2/12; Orangeburg requested rehearing on 7/9/12; and FERC order granted the request for rehearing for further consideration on 8/8/12.	Q3 2012
ER12-1340	PEC	Master Power Purchase Agreement with Cargill Power Markets, LLC, Rate Schedule No. 193, related to revised market mitigation filing in Docket No. EC11-60: PEC filed compliance filing on 7/2/12; Orangeburg requested rehearing on 7/9/12; and FERC order granted the request for rehearing for further consideration on 8/8/12.	Q3 2012
ER12-1341	PEC	Master Power Purchase Agreement with Morgan Stanley Capital Group Inc., Rate Schedule No. 194, related to revised market mitigation filing in Docket No. EC11-60: PEC filed compliance filing on 7/2/12; Orangeburg requested rehearing on 7/9/12; and FERC order granted the request for rehearing for further consideration on 8/8/12.	Q3 2012

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## Open FERC Dockets – Third Quarter 2012

Docket No(s).	Affiliate with Party Status (Duke Energy, DEC, DEBS)	Description of Proceeding	Quarter Reported Pursuant to Reg. Condition 3.11
RM12-10	Duke Energy	Solar Energy Industries Association petition to FERC to institute a rulemaking proceeding to update small generator interconnection rules and procedures for solar electric generation. Comments and Motions by various parties were submitted; otherwise, no activity in third quarter.	Q3 2012
AC12-107	Duke Energy	Lost Records Filing: Duke Energy notified FERC about lost records on 6/5/12.	Q3 2012
AD08-7	Progress Energy	Notice of Inquiry (NOI) re methodology for the assessment of electric utility annual charges: FERC issued NOI on 4/21/08; Southern Companies and Progress Energy filed comments on 5/28/08; no activity since third quarter 2008.	Q3 2012
AD12-9, AD11-11	Duke Energy	Proposed policy statement on allocation of capacity for new merchant transmission projects and new non-incumbent, cost-based, participant-funded transmission projects on 7/19/12. Duke Energy filed comments on 9/24/12.	Q3 2012
EL12-50	Duke Energy, DEC, DEBS	Complaint of FirstEnergy Companies against PJM Interconnection, L.L.C. alleging that provisions of PJM's OATT and Operating Agreement related to Auction Revenue Rights allocation process are unjust and unreasonable: FERC order on 7/11/12 granted complaint and required PJM to submit a compliance filing within 60 days.	Q3 2012
EL12-54	Duke Energy, DEC, DEBS	Complaint of Viridity Energy, Inc. against PJM Interconnection, L.L.C. requesting limited and discrete modification to PJM's Open Access Transmission Tariff: PJM answered amended complaint on 5/17/12; no activity in this quarter.	Q3 2012
EL12-63	Duke Energy, DEC, DEBS	Complaint of Independent Market Monitor (IMM) for PJM (Monitoring Analytics, LLC) against an unnamed participant (Respondent) requesting FERC direct Respondent to submit a Sell Offer in the Base Residual Auction opening 5/7/12 for the 2015/2016 Delivery Year: IMM complaint was filed on 5/1/12; comments and motions by various parties were submitted in second quarter 2012; no activity in third quarter 2012.	Q3 2012
EL12-66	Duke Energy, DEC, DEBS	Joint Complaint of Exelon Corp. and PSEG Companies requesting Fast Track Processing, providing supporting comments, and requesting consolidation of this docket with EL12-63: PSEG/Exelon filed complaint on 5/8/12; comments and motions were filed by various parties in second quarter 2012; no activity in third quarter 2012.	Q3 2012
EL12-69	Duke Energy, DEC, DEBS	Complaint of Primary Power, LLC requesting Fast Track Processing and Emergency, Interim Relief: FERC order denied complaint on 7/19/12; Primary Power requested rehearing on 8/20/12; and FERC order granted request for rehearing for further consideration on 9/17/12.	Q3 2012

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## Open FERC Dockets – Third Quarter 2012

Docket No(s).	Affiliate with Party Status (Duke Energy, DEC, DEBS)	Description of Proceeding	Quarter Reported Pursuant to Reg. Condition 3.11
EL12-71	Duke Energy, DEC, DEBS	PJM Interconnection, L.L.C. revisions to the PJM Operating Agreement re Marginal Losses: FERC order accepted proposed tariff and operating agreement revisions subject to conditions on 7/31/12; PJM filed compliance filing on 8/15/12; FERC order accepted compliance filing 9/25/12. (Closed 9/25/12).	Q3 2012
ER05-1236	DEC	DEC Open Access Transmission Tariff - Independent Entity Independent Market Monitor Reports submitted quarterly by Potomac Economics, Ltd.: 7/30/12 report was submitted.	Q3 2012
ER09-1165	PEC	Annual update to formula rate (2012), an informational filing by PEC on 5/15/12.	Q3 2012
ER10-1760	Duke Energy, PEC	Change in status filing under Market-Based Rate Tariff to affirm that Duke Energy / Progress Energy merger did not affect MBR authority: Duke Energy made filing on 8/1/12 on behalf of all subsidiaries.	Q3 2012
ER10-2566	Duke Energy, DEC	Change in status filing under Market-Based Rate Tariff to affirm that Duke Energy / Progress Energy merger did not affect MBR authority: Duke Energy made filing on 8/1/12 on behalf of all subsidiaries.	Q3 2012
ER11-3585	DEC	Formula Rate Annual Update - Recalculation of Annual Transmission Revenue Requirement, an informational filing: 6/29/12 DEC submitted corrections to its 5/15/12 Informational filing.	Q3 2012
ER12-718	Duke Energy, DEC, DEBS	New York Independent System Operator, Inc. (NYISO) revision of its Operating Agreement with PJM Interconnection, L.L.C. to implement a Market-to-Market Coordination Process: Duke intervened on 5/3/12; FERC order approved NYISO filing on 9/20/12.	Q3 2012
ER12-1177	Duke Energy	PJM Interconnection, L.L.C. revisions to the PJM OATT re Interconnection Queue Reforms: PJM submitted compliance filing on 5/30/12; FERC letter order accepted PJM compliance filing on 8/28/12 (Closed 8/28/12).	Q3 2012
ER12-1700	Duke Energy, DEC, DEBS	PJM Interconnection, L.L.C. revisions to PJM OATT Schedules 6 and 12 to reflect the assignment of cost responsibility for three baseline upgrades included in the most recent update to the Regional Transmission Expansion Plan (RTEP) approved by the PJM Board of Managers: FERC order approved filing on 7/30/12. (Closed 7/30/12).	Q3 2012

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## Open FERC Dockets – Third Quarter 2012

Docket No(s).	Affiliate with Party Status (Duke Energy, DEC, DEBS)	Description of Proceeding	Quarter Reported Pursuant to Reg. Condition 3.11
ER12-1810	Duke Energy, DEC, DEBS	PJM Interconnection, L.L.C. revisions to OATT Schedule 12 incorporate cost responsibility assignments for 37 baseline upgrades included in the recent update to the Regional Transmission Expansion Plan approved by the PJM Board of Managers on April 17, 2012. FERC letter order accepted PJM filing on 8/13/12. (Closed 8/13/12).	Q3 2012
ER12-1937	PEC	Annual amendment of Network Integration Transmission Service Agreement with NCEMPA, Service Agreement No. 268, to reflect changes to facility investments serving the NCEMPA delivery points and to remove termination language: PEC submitted filing on 6/4/12; FERC accepted filing on 7/10/12. (Closed 7/10/12).	Q3 2012
ER12-2085	Duke Energy	PJM Interconnection, L.L.C. revisions to OATT Schedule 12 to reflect the assignments of cost responsibility for 121 baseline upgrades included in the most recent update to the Regional Transmission Expansion Plan (RTEP) approved by the PJM Board of Managers: FERC order accepted PJM filings and report on 9/18/12. (Closed 9/18/12).	Q3 2012
ER12-2114	PEC	Amendment to Power Supply & Coordination Agreement with Fayetteville Public Works Commission, Rate Schedule No. 184, amended to delete certain tax credits per IRS regulations, to allow delivery period to be extended, to provide access to PEC's load signal, and to amend calculation of monthly capacity and energy rates: PEC submitted filing on 6/4/12; FERC order accepted filing on 8/7/12, with errata letter order on 8/8/12. (Closed 8/8/12).	Q3 2012
ER12-2161	DEC	DEC revisions to OATT Schedule 10-B, Formula Rate: DEC submitted filing on 6/29/12; NCEMC intervened; FERC order accepted filing on 8/30/12 but required a compliance filing; DEC submitted compliance filing on 8/30/12.	Q3 2012
ER12-2222	DEC	Amendment to Network Integration Transmission Service Agreement with NCEMC, providing transmission credits to Union Power Cooperative and Randolph Electric Membership Corporation: DEC submitted filing on 7/13/12; FERC order accepted filing on 8/21/12. (Closed 8/21/12).	Q3 2012
ER12-2241	PEC	Amended Network Integration Transmission Service Agreement with NCEMC, Service Agreement No. 134, amended to add transmission credits for NCEMC members: PEC submitted filing on 7/13/12; FERC order accepted filing on 8/22/12. (Closed 8/22/12).	Q3 2012

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## Open FERC Dockets – Third Quarter 2012

Docket No(s).	Affiliate with Party Status (Duke Energy, DEC, DEBS)	Description of Proceeding	Quarter Reported Pursuant to Reg. Condition 3.11
ER12-2282	PEC	New Network Integration Transmission Service Agreement with Fayetteville Public Works Commission. Service Agreement No. 324: PEC submitted filing on 7/20/12; FERC order accepted filing on 9/11/12. (Closed 9/11/12).	Q3 2012
ER12-2284	PEC	Cancellation of Network Integration Transmission Service Agreement with Fayetteville Public Works Commission. Service Agreement No. 246, which was replaced by Service Agreement No. 324: PEC submitted filing on 7/20/12; FERC order accepted filing on 9/11/12. (Closed 9/11/12).	Q3 2012
ER12-2299	PEC	Power Sales Agreement with French Broad EMC, Rate Schedule No. 195: PEC submitted filing on 7/24/12; FERC order accepted filing on 8/23/12. (Closed 8/23/12).	Q3 2012
ER12-2318	PEC	Amendment to Market-Based Rate Tariffs to reflect mitigation following closing of the Duke Energy / Progress Energy merger: PEC submitted filing on 7/27/12.	Q3 2012
ER12-2322	DEC	Amendment to Market-Based Rate Tariffs to reflect mitigation following closing of the Duke Energy / Progress Energy merger: DEC submitted filing on 7/27/12.	Q3 2012
ER12-2382	DEC	Amendment to Power Purchase Agreement with NCEMC, Rate Schedule No. 326, adding “hold harmless” and “savings parity” provisions and reflecting firm sales made pursuant to merger market mitigation plan; FERC order accepted filing on 9/18/12, followed by errata letter order on 9/21/12. (Closed 9/21/12).	Q3 2012
ER12-2383	DEC	Amendment to Catawba Nuclear Station Interconnection Agreement with NCEMC, Rate Schedule No. 273, adding “hold harmless” and “savings parity” provisions and changing the amount of surplus energy subject to pricing provisions; FERC order accepted filing on 9/18/12. (Closed 9/18/12).	Q3 2012

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**Open FERC Dockets – Third Quarter 2012**

<b>Docket No(s).</b>	<b>Affiliate with Party Status (Duke Energy, DEC, DEBS)</b>	<b>Description of Proceeding</b>	<b>Quarter Reported Pursuant to Reg. Condition 3.11</b>
FA11-6	Progress Energy	Audit of Progress Energy, Inc. compliance with cross-subsidization restrictions on affiliate transactions; accounting, recordkeeping and reporting requirements; Uniform System of Accounts; preservation of records for holding companies and service companies; and Form No. 60: FERC initiated audit 11/23/10; Progress submitted responses to data requests; FERC letter order approved audit findings and recommendations on 9/20/12, requiring compliance filings.	Q3 2012
OA08-100	DEC	Annual Operational Penalty Assessment Report; FERC order accepted annual report on 6/11/12 (Closed 6/11/12).	Q3 2012
P-432	PEC	Walters Hydroelectric Project.	Q3 2012
P-2206	PEC	Yadkin-Pee Dee Hydroelectric Project – Relicensing: operating under annual licenses since expiration of prior license in 2008.	Q3 2012
P-2211	Duke Energy	Markland Hydroelectric Project.	Q3 2012
P-2232	DEC	Catawba-Watersee Hydroelectric Project – Relicensing: operating under annual licenses since expiration of prior license in 2008.	Q3 2012
P-2331	DEC	Ninety-Nine Islands Hydroelectric Project.	Q3 2012
P-2332	DEC	Gaston Shoals Hydroelectric Project.	Q3 2012
P-2380	PEC	Marshall Hydroelectric Project.	Q3 2012
P-2503	DEC	Keowee-Toxaway Hydroelectric Project – Relicensing: current license expires in 2016; notice of intent was filed, and pre-application work is underway.	Q3 2012
P-2601	DEC	Bryson Hydroelectric Project.	Q3 2012
P-2603	DEC	Franklin Hydroelectric Project.	Q3 2012
P-2619	DEC	Mission Hydroelectric Project.	Q3 2012
P-2686	DEC	West Fork Hydroelectric Project.	Q3 2012
P-2692	DEC	Nantahala Hydroelectric Project.	Q3 2012
P-2694	DEC	Queens Creek Hydroelectric Project.	Q3 2012
P-2698	DEC	East Fork Hydroelectric Project.	Q3 2012
P-2740	DEC	Bad Creek Hydroelectric Project.	Q3 2012



## Attachment B

### Periodic Reports Filed with FERC—Third Quarter 2012

Docket No(s).	Filing Entity (Duke Energy, DEC, DEBS)	Description of Report
N/A	DEC, PEC	FERC Form 3-Q – Quarterly Financial Report of Major Electric Utilities, Licensees and Others for the second quarter 2012
LA12-2	Duke Energy, DEC, PEC	Quarterly Generation Site Acquisition Report, per Order No. 697-C